Sanitized - Approved For Release : CIA-RDF reinforced a principle first stated lege" to refuse to

U.S. Agency's Silence: In Case Thwarts \$110,000 Action **CPYRGHT**

i versive.

Canada, claimed damages in the groups, lecturing and showing a was in the scope of the CIA to case because his reputation as a movie: "Creators of Legend."

Paul B. Conzelliu and B. Conzelliu a lecturer on anti-Communist activer. He was a prisoner in Russian ites had been ruined.

However, the CIA refused disclose the sources of its informa tion on Mr. Heine except to ad

Impossible To Try Case

Chief Judge Roszel C. Thomser noted that the reluctance of the CIA to submit to interrogation i normal court procedures made i impossible to try the case.

"A trial would not resolve the question of the truth or falsity o the charges, because the court would still be required to recognile the privilege asserted by the United States," Judge Thom sen wrote.

The dilemma posed by Judge Thomsen was this:

1. Since the agent, Juri Raus 38, of Hyattsville, was prevented from testifying, he would stand "weaponless before his adversary" in a court trial.

Choice Between 2 Evils

2. On the other hand, lack of a trial would deny Mr. Heine the

"No way to avoid choosing between two evils has been suggested or discovered." Judge Thomsen wrote.

A choice in the matter was dictated, Judge Thomsen decided, by Supreme Court decisions which by Judge Learned Hand.

there was a danger in subjecting any further statements. public officials to a civil trial for official acts that caused some persons to suffer.

to leave unredressed wrongs done with internal security as opposed by dishonest officers than to sub- to foreign sources. Official privi-ject those who try to do their duty lege could not be extended to to the constant dread of retalia- those who have no discretion in

No Way Of Solving Dilenima

Since there was no way of solving the dilemma in the present there Mr. Raus was actually emwould have to rely on "principles so clearly stated" and enter a isummary judgment for Mr. Raus.

The slander suit against Mr. Raps was originally brought in threw out a \$110,000 slander sult Federal Court in November, 1964.

Mr. Heine said that he was a citizen of Canada and had been Ecrik Heine, 46, who resides in active in various Estonian emigre

prison camps and a guerrilla rett Prettyman, Jr., were lawyers fighter against the Communist takeover of his country, Mr. Heine asserted.

Sait was filed because Mr. mit that it had sent the agen: Rays, the national commander to New York to make the state of the Legion of Estonian Liberation. Inc., on three occasions stated Mr. Heine was a planted subversive agent.

Admits Furnishing Data

In an answer to the suit, Mr. Raus admitted that on three occasions he had stated the plaintiff was a Soviet agent or collaborator and should not receive Estenian cooperation.

. Raus at first stated only that the information came from an official agency of the United States Government, according to the answer.

However, subsequent court proceccings revealed that Mr. Raus, who worked for the Bureau of Public Roads in Washington, was a CIA agent and had signed a secrccy, agreement.

The CIA admitted that it had furn shed Mr. Raus with the information and sent him to meetopportunity to attempt to vindi-ing of key Estonian groups to cate himself in court. make the statements complained make the statements complained of it the suit.

Such action was taken, it was assected, because the CIA was interested in protecting its intelligerce sources from infiltration.

The Government spy agency asscreed it had an absolute privi-

source of its information and to Judge Hand pointed out that prevent Mr. Raus from making

Argument Cited

Ernest C. Raskauskas Robert J. Stanford, Washington In the case before him, Judge attorneys for Mr. Heine, argued Hand decided that it was "better that the ClA was not concerned carrying out orders, it was contended:

The plaintiff's lawyers also ployed by the CIA and confended there was a genuine issue at stake.

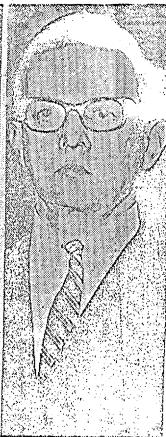
3 Affidavits Required

Judge Thomsen noted that he had required the CIA to file at brought against a CIA operative At that time, Mr. Heine alleged least three affidavits in the case by an Estonian who argued that that he had never been a Combut that he was barred on securities agent had called him a sut. Mr. Heine said that he was barred on requiring full disclosure.

Officials were clearly correct in aising privilege grounds and it

Paul R. Connolly and E. Barfor Mr. Raus. Thomas J. Kenney, United States attorncy, and Lawrence R. Houston represented the





CASE DISMISSED-Juri Raus (left), a CIA operative, called

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